

Silverwood Dairies, Limited

BY-LAWS NOS. 1, 3, 4

Silverwood Dairies, Limited

BY-LAW NO. 1

A by-law relating generally to the conduct of the affairs of Silverwood Dairies, Limited.

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Silverwood Dairies, Limited (hereinafter called the "Company") as follows:

HEAD OFFICE

1. The directors may from time to time fix the location of the head office of the Company within the place in Ontario designated therefor by the letters patent or by special resolution.

SEAL

2. The seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Company.



DIRECTORS

3. **Powers and number.** The board of directors may exercise all such powers and do all such acts and things as may be exercised or done by the Company that are not by the by-laws or any special resolution of the Company or by statute expressly directed or required to be done in some other manner. Until changed by special resolution of the Company, the number of directors shall be fourteen.

4. **Qualification.** The qualification of a director shall be the holding of at least one share in the capital of the Company which, subject to the provisions of Section 299 of The Corporations Act, may be acquired within 10 days after his election or appointment as a director.

5. **Term of office.** The directors' term of office (subject to the provisions, if any, of the letters patent and any supplementary letters patent and of the by-laws of the Company) shall be from the date of the meeting at which they are elected or appointed until the annual meeting next following or until their successors are elected or appointed. As long as there is a quorum of directors in office, any vacancy occurring in the board of directors may be filled for the remainder of the term by the directors then in office.

6. **Vacation of office.** The office of a director shall ipso facto be vacated: (a) if he becomes bankrupt or suspends payment or compounds with his creditors or makes an authorized assignment or is declared insolvent; (b) if he is found to be a mentally incompetent person or becomes of unsound mind; (c) if he does not within ten days after his election or appointment as a director hold, or if he ceases to hold, the required number of shares to qualify him for his office; or (d) if by notice in writing to the Company he resigns his office.

7. **Election and Removal.** Directors shall be elected yearly by the shareholders in general meeting on a show of hands unless a poll is demanded and if a poll is demanded such election shall be by ballot. The whole board shall retire at the general meeting at which the yearly election of directors is to be made but, subject to the provisions of this By-law, shall be eligible for re-election; provided always that the shareholders of the Company may, by resolution passed by at least two-thirds of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any director before the expiration of his term of office and may, by a majority of the votes cast at that meeting, elect any person in his stead for the remainder of his term.

MEETINGS OF DIRECTORS

8. **Place of meeting and notice.** Meetings of the board of directors and of the executive committee (if any) may be held either at the head office or at any place within or outside of Ontario. A meeting of directors may be convened by the Chairman of the Board of directors (if any), the President, a Vice-President who is a director or any two directors at any time and the Secretary by direction of the Chairman of the Board of directors (if any), the President, a Vice-President who is a director or any two directors shall convene a meeting of directors. Notice of any such meeting shall be delivered or mailed or telegraphed or cabled to each director not less than two days (exclusive of the day on which the notice is delivered or mailed or telegraphed or cabled but inclusive of the day for which notice is given) before the meeting is to take place; provided always that meetings of the board of directors may be held at any time without notice if all the directors are present or those absent waive notice or signify their consent in writing to the meeting being held in their absence.

For the first meeting of the board of directors to be held immediately following the election of directors at an annual and/or a general meeting of the shareholders or for a meeting of the board of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting shall be necessary to the newly elected or appointed director or directors in order legally to constitute the meeting, provided that a quorum of the directors be present.

9. **Voting.** Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes the chairman of the meeting in addition to his original vote shall have a second or casting vote.

REMUNERATION OF DIRECTORS

10. The remuneration to be paid to the directors shall be such as the board of directors shall from time to time determine provided that such remuneration shall not be paid to any officer or employee of the Company or of a subsidiary who is also a member of the board of directors. The directors may also by resolution award special remuneration to any director undertaking any special services on the Company's behalf other than the routine work ordinarily required of a director by the Company and the confirmation of any such resolution or resolutions by the shareholders shall not be required. The directors shall also be entitled to be paid their travelling and other expenses properly incurred by them in connection with the affairs of the Company.

SUBMISSION OF CONTRACTS OR TRANSACTIONS TO SHAREHOLDERS FOR APPROVAL

11. The board of directors in its discretion may submit any contract, act or transaction for approval or ratification at any annual meeting of the shareholders or at any general meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved or ratified by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by The Corporations Act or by the Company's letters patent or any supplementary letters patent or any other by-law) shall be as valid and as binding upon the Company and upon all the shareholders as though it had been approved or ratified by every shareholder of the Company.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

12. **Interest of directors.** In supplement of and not by way of limitation upon any rights conferred upon directors by Section 70 of The Corporations Act it is declared that no director shall be disqualified by his office from, or vacate his office by reason of, holding any office or place of profit under the Company or under any company in which the Company shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Company either as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Company in which he is in any way directly or indirectly interested either as vendor, purchaser or otherwise nor shall any contract or arrangement entered into by or on behalf of the Company in which any director

shall be in any way directly or indirectly interested be avoided or voidable nor shall any director be liable to account to the Company or any of its shareholders or creditors for any profit arising from any such office or place of profit or realized by or from any such contract or arrangement by reason of the fiduciary relationship existing or established thereby. Subject to the provisions of Section 70 of The Corporations Act, no director shall be obliged to make any declaration of interest or refrain from voting in respect of a contract or proposed contract with the Company in which such director is in any way directly or indirectly interested.

13. **Limitation of liability.** No director or officer for the time being of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by the Company or for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Company shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Company or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his own wilful neglect or default. The directors for the time being of the Company shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Company, except such as shall have been submitted to and authorized or approved by the board of directors. If any director or officer of the Company shall be employed by or shall perform services for the Company otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Company, the fact of his being a director or officer of the Company shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

INDEMNITIES TO DIRECTORS AND OTHERS

14. Every director or officer of the Company or other person who has undertaken or is about to undertake any liability on behalf of the Company or any company controlled by it and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and save harmless out of the funds of the Company, from and against,

- (a) all costs, charges and expenses whatsoever which such director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him, in or about the execution of the duties of his office or in respect of any such liability;
- (b) all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own wilful neglect or default.

EXECUTIVE COMMITTEE

15. **Authorization to elect.** The directors of the Company be and they are hereby authorized to elect from among their number an executive committee consisting of not less than three members (of whom a majority shall form a quorum) not more than one half of whom shall be officers or employees of the Company or a subsidiary and to delegate to the executive committee any powers of the board of directors.

16. **Delegation by directors.** The directors hereby delegate to the executive committee all of the powers, authorities and discretions vested in or exercisable by the board of directors save and except only such acts as must be performed by the directors themselves.

17. Restrictions. The following provisions and restrictions shall apply to the executive committee:

- (a) Unless otherwise ordered by the board of directors, each member of the executive committee shall continue to be a member thereof until the expiration of his term of office as a director;
- (b) The directors may from time to time determine which member of the executive committee shall be the chairman thereof and may modify, dissolve or reconstitute the executive committee and may make such regulations with respect to and impose such restrictions upon the exercise of the aforesaid powers, authorities and discretions as the directors think expedient;
- (c) The executive committee shall, subject to any regulations made or restrictions imposed from time to time by the directors, be competent to exercise all of the powers, authorities and discretions so delegated as are vested in or exercisable by the directors;
- (d) The meetings and proceedings of the executive committee shall be governed by the provisions in the by-laws for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations or restrictions made or imposed by the directors pursuant to the foregoing provisions hereof;
- (e) The executive committee may invite such officers, directors and employees of the Company as it may see fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Company;
- (f) The members of the executive committee as such shall be entitled to such remuneration for their services as members of the executive committee as may be fixed by the directors who are hereby authorized to fix such remuneration;
- (g) The executive committee shall, in the exercise of its powers, authorities and discretions so delegated, conform to any regulations or restrictions that may from time to time be made or imposed upon it by the directors.
- (h) The Secretary of the Company shall be the secretary of the executive committee;
- (i) The board of directors shall fill vacancies in the executive committee by election from among the directors of the Company; and
- (j) Meetings of the executive committee may be convened by the direction of any member thereof.

OFFICERS

18. The board of directors shall annually or oftener as may be required elect a President and appoint a Secretary and if deemed advisable may appoint annually or oftener as may be required one or more Vice-Presidents, a Treasurer and one or more Assistant Secretaries and/or one or more Assistant Treasurers. None of the said officers except the President need be a director or shareholder of the Company. Any two of the aforesaid offices may be held by the same person except those of President and Vice-President. In case and whenever the same person holds the offices of Secretary and Treasurer he may but need not be known as the Secretary-Treasurer. The board of directors may from time to time appoint such other officers and agents as it shall deem necessary who shall have such authority and shall perform such duties as may from time to time be prescribed by the board of directors.

19. **Remuneration and removal of officers.** The remuneration of all officers elected or appointed by the board of directors shall be determined from time to time by resolution of the board of directors. The fact that any officer or employee is a director or shareholder of the Company shall not disqualify him from receiving such remuneration as may be determined. All officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the board of directors at any time, with or without cause.

20. **Duties of officers may be delegated.** In case of the absence or inability to act of the President, a Vice-President or any other officer of the Company or for any other reason that the board may deem sufficient, the board may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

21. **President.** Subject to the provisions of paragraph 23 of this By-law, the President shall be the chief executive officer of the Company. He shall, when present, preside at all meetings of the board of directors and shareholders; he shall sign such contracts, documents or instruments in writing as require his signature and shall have and perform all powers and duties incident to his office and such other powers and duties as may from time to time be assigned to him by the board.

22. **Vice-Presidents.** Subject to the provisions of paragraph 23 of this By-law, the senior Vice-President shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, and the other Vice-President or, if more than one, the other Vice-Presidents, in order of seniority, shall be vested with all the powers and shall perform all the duties of the senior Vice-President in the absence or inability or refusal to act of the senior Vice-President, provided, however, that a Vice-President who is not a director shall not preside as chairman at any meeting of directors and that a Vice-President who is not a director and shareholder shall not preside at any meeting of shareholders. The Vice-President or, if more than one, the Vice-Presidents shall sign such contracts, documents or instruments in writing as require his or their signatures and shall have and perform all powers and duties incident to his or their offices and such other powers and duties as may from time to time be assigned to him or them by the board.

23. **Chairman of the Board.** The provisions of paragraphs 21 and 22 of this By-law shall be subject to the provisions of any special resolution providing for the election of a Chairman of the Board of directors and defining his duties and those of the President.

24. **Secretary.** The Secretary shall give or cause to be given notices for all meetings of the board of directors and shareholders when directed to do so and have charge of the minute books of the Company and, subject to the provisions of paragraph 41 of this By-law, of the documents and registers referred to in Sections 40 and 313 of The Corporations Act. He shall sign such contracts, documents or instruments in writing as require his signature and shall have and perform all powers and duties incident to his office and such other powers and duties as may from time to time be assigned to him by the board.

25. **Treasurer.** Subject to the provisions of any resolution of the board of directors, the Treasurer shall have the care and custody of all the funds and securities of the Company and shall deposit the same in the name of the Company in such bank or banks or with such depository or depositories as the board of directors may direct. He shall keep or cause to be kept the books of account and accounting records referred to in Section 315 of The Corporations Act. He shall sign such contracts, documents or instruments in writing as require his signature and shall have and perform all powers and duties incident to his office and such other powers and duties as may from time to time be assigned to him by the board. He may be required to give such bond for the faithful performance of his duties as the board of directors in their uncontrolled discretion may require but no director shall be liable for failure to require any bond or for the insufficiency of any bond or for any loss by reason of the failure of the Company to receive any indemnity thereby provided.

26. **Assistant Secretary and Assistant Treasurer.** The Assistant Secretary or, if more than one, the Assistant Secretaries in order of seniority, and the Assistant Treasurer or, if more than one, the Assistant Treasurers in order of seniority, shall respectively perform all the duties of the Secretary and the Treasurer, respectively, in the absence or inability or refusal to act of the Secretary or the Treasurer, as the case may be. The Assistant Secretary or Assistant Secretaries, if more than one, and the Assistant Treasurer or Assistant Treasurers, if more than one, shall sign such contracts, documents or instruments in writing as require his or their respective signatures and shall respectively have and perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the board.

27. **General Manager or Manager.** The board of directors may from time to time appoint a General Manager or Manager, who may but need not be one of the directors of the Company, and may delegate to him full authority to manage and direct the business and affairs of the Company (except such matters and duties as by law must be transacted or performed by the board of directors and/or by the shareholders in general meeting) and to employ and discharge agents and employees of the Company or may delegate to him any lesser power. If and so long as the General Manager or Manager is a director he may but need not

be known as Managing Director. He shall conform to all lawful orders given to him by the board of directors of the Company. He shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Company. Any agent or employee appointed by a General Manager or Manager shall be subject to discharge by the board of directors.

28. **Vacancies.** If the office of President, Vice-President, Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or any one of such offices, or any other office shall be or become vacant by reason of death, resignation, disqualification or otherwise the directors by resolution may elect or appoint an officer to fill such vacancy.

SHAREHOLDERS' MEETINGS

29. **Annual Meeting.** Subject to compliance with Section 306 of The Corporations Act, the annual meeting of the shareholders shall be held at any place within Ontario or at any one or more places outside of Ontario hereafter designated by supplementary letters patent on such day in each year and at such time as the directors may by resolution determine.

30. **General Meetings.** Other meetings of the shareholders may be convened by order of the Chairman of the Board of directors (if any), the President or a Vice-President who is a director and shareholder or by the board of directors at any date and time and at any place within Ontario or at any one or more places outside of Ontario designated by the letters patent or supplementary letters patent.

31. **Notice.** A printed, written or typewritten notice stating the day, hour and place of meeting and the general nature of the business to be transacted shall be served either personally or by sending such notice to each shareholder entitled to notice of such meeting and to the auditor of the Company through the post in a prepaid wrapper or letter, at least ten days (exclusive of the day of mailing and of the day for which notice is given) before the date of every meeting directed to such address of each such shareholder as appears on the books of the Company, or if no address is given therein, then to the last address of each such shareholder known to the Secretary and to the auditor at his business address; provided always that a meeting of shareholders may be held for any purpose at any date and time and at any place within Ontario or at any one or more places outside of Ontario hereafter designated by supplementary letters patent without notice if all the shareholders entitled to notice of such meeting are present in person or represented by proxy at the meeting or if all the absent shareholders entitled to notice of such meeting waive notice or signify their consent in writing or by cable or telegram to the meeting being held in their absence and, in either case, if the auditor is present or waives notice or signifies his consent in writing to the meeting being held.

32. **Omission of Notice.** The accidental omission to give notice of any meeting or the non-receipt of any notice by any shareholder or shareholders or by the auditor of the Company shall not invalidate any resolution passed or any proceedings taken at any meeting.

33. **Votes.** Every question submitted to any meeting of shareholders shall be decided in the first instance by a show of hands and in the case of an equality of votes the chairman shall both on a show of hands and at a poll have a second or casting vote in addition to the vote or votes to which he may be entitled as a shareholder.

At any meeting unless a poll is demanded a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

In the absence of the Chairman of the Board of directors (if any) and the President and every Vice-President who is a director and shareholder, the shareholders present entitled to vote shall choose another director as chairman and if no director is present or if all the directors present decline to take the chair then the shareholders present shall choose one of their number to be chairman.

If at any meeting a poll is demanded on the election of a chairman or on the question of adjournment it shall be taken forthwith without adjournment.

If at any meeting a poll is demanded on any other question or as to the election of directors it shall be taken by ballot in such manner and either at once, later in the meeting or after adjournment as the chairman directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

A demand for a poll may be withdrawn.

As provided in The Corporations Act, if shares are held jointly by two or more persons, any one of them present at a meeting of the shareholders may, in the absence of the other or others, vote thereon, but if more than one of them are present or represented by proxy, they shall vote together on the shares jointly held.

34. **Proxies.** Votes may be given either personally or by proxy. At every meeting at which he is entitled to vote, every shareholder and/or proxy present in person shall have one vote on a show of hands. Upon a poll at which he is entitled to vote, every shareholder present in person or by proxy shall (subject to the provisions, if any, of the letters patent or of any supplementary letters patent) have one vote for every share held by him.

An instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney authorized in writing, or, if the appointor is a corporation, under the corporate seal or under the hand of an officer or attorney so authorized, and ceases to be valid after the expiration of one year from the date thereof.

A proxy need not be a shareholder.

An instrument appointing a proxy may be in the following form or in any other form which complies with The Corporations Act:

The undersigned shareholder of Silverwood Dairies, Limited hereby appoints _____ of _____ or failing him, _____ or _____ as the proxy of the undersigned to attend and act at the _____ meeting of the shareholders of the said Company to be held on _____, 19____, and at any adjournment or adjournments thereof in the same manner, to the same extent and with the same power as if the undersigned were present at the said meeting or such adjournment or adjournments thereof.

DATED the _____ day of _____, 19____.

Signature of shareholder

The directors may from time to time make regulations regarding the lodging of instruments appointing a proxy at some place or places other than the place at which a meeting or adjourned meeting of shareholders is to be held and for particulars of such instruments to be cabled or telegraphed or sent in writing before the meeting or adjourned meeting to the Company or any agent of the Company for the purpose of receiving such particulars and providing that instruments appointing a proxy so lodged may be voted upon as though the instruments themselves were produced at the meeting or adjourned meeting and votes given in accordance with such regulations shall be valid and shall be counted. The chairman of any meeting of shareholders may, subject to any regulations made as aforesaid, in his discretion accept telegraphic or cable or written communication as to the authority of anyone claiming to vote on behalf of and to represent a shareholder notwithstanding that no instrument of proxy conferring such authority has been lodged with the Company, and any votes given in accordance with such telegraphic or cable or written communication accepted by the chairman shall be valid and shall be counted.

35. **Adjournment.** The chairman of any meeting may with the consent of the meeting adjourn the same from time to time and no notice of such adjournment need be given to the shareholders. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

36. **Quorum.** Two shareholders and/or proxies personally present shall be a quorum at any meeting of shareholders for the choice of a chairman and the adjournment of the meeting; for all other purposes a quorum at any meeting (unless a greater number of shareholders and/or proxies are required to be present or a greater number of shares are required to be represented by The Corporations Act or by the Company's letters patent or by any supplementary letters patent or any other by-law) shall be shareholders and/or proxies personally present not being less than two in number and holding or representing by proxy not less than thirty-five per cent of the total number of the issued shares of the Company for the time being

enjoying voting rights at such meeting. No business shall be transacted at any meeting unless the quorum requisite be present at the time of the transaction of such business.

SHARES AND TRANSFERS

37. **Allotment and Issuance.** Shares of the Company may be allotted and issued by resolution of the board of directors at such times and on such terms and conditions and to such persons or class of persons as the directors determine.

38. **Payment of Commissions.** The Company may pay commissions to persons in consideration of their subscribing or agreeing to subscribe, whether absolutely or conditionally, for shares of the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional for such shares, but no such commission shall exceed twenty-five per cent of the amount of the subscription.

39. **Calls.** The directors may by resolution from time to time call in and by notice thereof in writing demand from the shareholders the whole or any part of the amount unpaid on shares held by them and not by the conditions of allotment thereof made payable at fixed times and each shareholder shall pay the amount of every call so made on him to the persons and at the times and places appointed by the board of directors. A call may be made payable by instalments.

Notice of any call and demand for payment shall be mailed at least five days (including the date of mailing but excluding the day appointed for payment) before the day appointed for payment specifying the time when, the place where and the person to whom payment is to be made and shall state that in the event of the call not being paid in accordance with the demand the shares in respect of which the call was made will be liable to be forfeited. Every call shall be payable within the time and in the manner specified in the resolution making the call and in default of such specification shall be payable to the Company at its head office on the expiration of five days from the mailing of the notice of call. If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof the holder for the time being of the shares in respect of which such call shall have been made shall pay interest on the same at the rate of five per cent per annum from the day appointed for payment thereof to the time of actual payment.

40. **Certificates.** Share certificates and the form of stock transfer power on the reverse side thereof shall (subject to compliance with Section 45 of The Corporations Act) be in such form as the board of directors may from time to time by resolution approve and such certificates shall be signed by the Chairman of the Board of directors (if any) or the President or a Vice-President and the Secretary or an Assistant Secretary (if any) holding office at the time of signing and notwithstanding any change in the persons holding said offices between the time of actual signing and the issuance of any certificate and notwithstanding that the Chairman of the Board of directors or the President or the Vice-President or the Secretary or the Assistant Secretary signing may not have held office at the date of the issuance of such certificate, any such certificate so signed shall be valid and binding upon the Company. The signature of the Chairman of the Board of directors or the President or a Vice-President may be printed, engraved, lithographed or otherwise mechanically reproduced upon certificates for shares of the Company and certificates so signed shall be deemed to have been manually signed by the Chairman of the Board of directors or the President or the Vice-President whose signature is so printed, engraved, lithographed or otherwise mechanically reproduced thereon and shall be as valid to all intents and purposes as if they had been signed manually. Where the Company has appointed a transfer agent or branch transfer agent the signature of the Secretary or Assistant Secretary may also be printed, engraved, lithographed or otherwise mechanically reproduced and when countersigned by or on behalf of a transfer agent or branch transfer agent share certificates so signed shall be as valid as if they had been signed manually.

41. **Transfer Agent and Registrar.** The directors may from time to time by resolution appoint or remove one or more transfer agents and/or branch transfer agents and/or registrars and/or branch registrars (which may or may not be the same individual or company) for the shares (or for the shares of any class or classes) of the Company, and may provide for the transfer and the registration of transfers of the shares (or the shares of any class or classes) of the Company in one or more places, and such transfer agents and/or branch transfer agents and/or registrars and/or branch registrars shall keep all necessary books and registers of the Company for the registering and transferring of the shares (or the shares of the class or classes in

respect of which any such appointment has been made) of the Company, and all share certificates issued by the Company in respect of the shares (or the shares of the class or classes in respect of which any such appointment has been made) of the Company shall in the event of any such appointment be countersigned by or on behalf of one of the said transfer agents and/or branch transfer agents and by or on behalf of one of the said registrars and/or branch registrars, if any.

42. **Register of Transfers.** The register of transfers of the Company shall be kept at the head office of the Company or at such other office or place in Ontario as may from time to time be appointed by resolution of the board of directors and the branch registers or registers of transfers may be kept at such office or offices of the Company or other place or places, either in or outside Ontario, as may from time to time be appointed by resolution of the board of directors.

43. **Surrender of Certificates.** No transfer shall be recorded or registered unless or until the certificate representing the shares to be transferred has been surrendered and cancelled.

44. **Shareholder indebted to the Company.** Except in the case of shares listed on a recognized stock exchange, the directors may refuse to permit the registration of a transfer of fully paid shares registered in the name of a shareholder who is indebted to the Company.

45. **Defaced, destroyed, lost or stolen certificates.** In case of the defacement, destruction, loss or theft of a certificate for shares the fact of such defacement, destruction, loss or theft shall be reported to the Company or the transfer agent (if any) or branch transfer agent (if any) with a statement verified by oath or statutory declaration as to the defacement, destruction, loss or theft and the circumstances attending the same and with a request for the issuance of a new certificate to replace the one so defaced, destroyed, lost or stolen. In the case of the destruction, loss or theft of a certificate for shares the applicant for a new certificate shall also give to the Company (or if there be a transfer agent and/or branch transfer agent or agents and/or registrar and/or branch registrar or registrars, hereinafter in this paragraph collectively referred to as the "Company's transfer agents and registrars", then to the Company and the Company's transfer agents and registrars)

(i) a bond of a surety company, or

(ii) such other security as may be approved by the board of directors,

in either case in such form as may be approved by the board of directors or by the Chairman of the Board of directors (if any) or the President or the Secretary or the Treasurer of the Company indemnifying the Company (and the Company's transfer agents and registrars) against all loss, damage or expense which the Company and/or the Company's transfer agents and registrars may suffer or be liable for by reason of the issuing of such new certificate. Upon receipt of such documents the Company may issue a new certificate to take the place of the one defaced, destroyed, lost or stolen if such issuance is ordered and authorized by the Chairman of the Board of directors (if any) or the President or the Secretary or the Treasurer of the Company or by resolution of the board of directors.

LOANS TO SHAREHOLDERS

46. The Company may from time to time

- (a) make loans to bona fide full-time employees of the Company whether or not they are shareholders or directors, with a view to enabling them to purchase or erect dwelling houses for their own occupation, and may take from such employees mortgages or other securities for the repayment of such loans; or
- (b) provide, in accordance with a scheme for the time being in force, money by way of loan for the purchase by trustees of fully-paid shares of the Company, to be held by or for the benefit of bona fide employees of the Company, whether or not they are shareholders or directors; or
- (c) make loans to bona fide employees of the Company, other than directors, whether or not they are shareholders, with a view to enabling them to purchase fully-paid shares of the Company to be held by them by way of beneficial ownership.

DIVIDENDS

47. The directors may from time to time by resolution declare and the Company may pay dividends on the issued and outstanding shares of the Company out of the funds of the Company available for that purpose, subject to the provisions (if any) of the letters patent or any supplementary letters patent of the Company.

48. In case several persons are registered as the joint holders of any shares, any one of such persons may give effectual receipts for all dividends and payments on account of dividends and/or redemption payments on redemption of shares (if any) subject to redemption in respect of such shares.

VOTING SHARES AND SECURITIES IN OTHER COMPANIES

49. All of the shares or other securities carrying voting rights of any other company or companies held from time to time by the Company may be voted at any and all meetings of shareholders, bondholders, debenture holders or holders of other securities (as the case may be) of such other company or companies and in such manner and by such person or persons as the board of directors of the Company shall from time to time determine. The proper signing officers of the Company may also from time to time execute and deliver for and on behalf of the Company proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the board.

INFORMATION AVAILABLE TO SHAREHOLDERS

50. No shareholder shall be entitled to discovery of any information respecting any details or conduct of the Company's business which in the opinion of the directors it would be inexpedient in the interests of the Company to communicate to the public.

51. The directors may from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers and books of account and accounting records of the Company or any of them shall be open to the inspection of shareholders and no shareholder shall have any right to inspect any document or book or register or book of account or accounting record of the Company except as conferred by statute or authorized by the board of directors or by a resolution of the shareholders in general meeting.

NOTICES

52. **Service.** Any notice or demand to be given to or made on any shareholder, director or auditor shall be served either personally or by sending it through the post in a prepaid envelope or wrapper or by telegram or cable addressed to such shareholder or director at his address as the same appears in the books of the Company, or if no address be given therein then to the last address of such shareholder or director known to the Secretary, and to the auditor at his business address. With respect to every notice or demand sent by post it shall be sufficient to prove that the envelope or wrapper containing the notice or demand was properly addressed and put into a Post Office or into a letter box.

53. **Shares registered in more than one name.** All notices with respect to any shares registered in more than one name shall be given to whichever of such persons is named first in the books of the Company and any notice so given shall be sufficient notice to all the holders of such shares.

54. **Persons becoming entitled by operation of law.** Every person who by operation of law, transfer or by any other means whatsoever shall become entitled to any share or shares shall be bound by every notice in respect of such share or shares which previous to his name and address being entered on the books of the Company shall be duly given to the person or persons from whom he derives his title to such share or shares.

55. **Deceased shareholders.** Any notice or document delivered or sent by post or left at the address of any shareholder as the same appears in the books of the Company shall, notwithstanding that such shareholder be then deceased, and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with any

person or persons) until some other person be entered in his stead in the books of the Company as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors or administrators and on all persons, if any, interested with him in such shares.

56. **Signature to notices.** The signature to any notice to be given by the Company may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

57. **Computation of time.** Where a given number of days' notice or notice extending over a period is required to be given the day of service or posting of the notice shall unless it is otherwise provided be counted in such number of days or other period.

58. **Proof of Service.** A certificate of the Chairman of the Board of directors (if any), the President, a Vice-President, the Secretary or the Treasurer or of any other officer of the Company in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of shares of any class of the Company as to the facts in relation to the mailing or delivery of any notice to any shareholder, director, officer or auditor or publication of any notice shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Company as the case may be.

CHEQUES, DRAFTS, NOTES, ETC.

59. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers or person or persons, whether or not officers of the Company, and in such manner as the board of directors may from time to time designate.

CUSTODY OF SECURITIES

60. All shares and securities owned by the Company shall be lodged (in the name of the Company) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the board of directors, with such other depositaries or in such other manner as may be determined from time to time by the board of directors.

All share certificates, bonds, debentures, notes or other obligations belonging to the Company may be issued or held in the name of a nominee or nominees of the Company (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with the right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected.

EXECUTION OF INSTRUMENTS

61. Contracts, documents or instruments in writing requiring the signature of the Company may be signed by (a) the Chairman of the Board of directors (if any) or the President or a Vice-President and the Secretary or the Treasurer or the Secretary-Treasurer or an Assistant Secretary or an Assistant Treasurer or (b) any two directors and all contracts, documents and instruments in writing so signed shall be binding upon the Company without any further authorization or formality. The board of directors shall have power from time to time by resolution to appoint any officer or officers or any person or persons on behalf of the Company either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The seal of the Company may when required be affixed to contracts, documents and instruments in writing signed as aforesaid or by any officer or officers, person or persons, appointed as aforesaid by resolution of the board of directors.

The term "contracts, documents or instruments in writing" as used in this By-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures or other securities and all paper writings.

In particular without limiting the generality of the foregoing (a) the Chairman of the Board of

directors (if any) or the President or a Vice-President and the Secretary or the Treasurer or the Secretary-Treasurer or an Assistant Secretary or an Assistant Treasurer or (b) any two directors shall have authority to sell, assign, transfer, exchange, convert or convey any and all shares, stocks, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the Company and to sign and execute (under the seal of the Company or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such shares, stocks, bonds, debentures, rights, warrants or other securities.

The signature or signatures of the Chairman of the Board of directors, the President, a Vice-President, the Secretary, the Treasurer, an Assistant Secretary or an Assistant Treasurer or any director of the Company and/or of any other officer or officers, person or persons, appointed as aforesaid by resolution of the board of directors may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically reproduced upon any contracts, documents or instruments in writing or bonds, debentures, or other securities of the Company executed or issued by or on behalf of the Company and all contracts, documents or instruments in writing or bonds, debentures or other securities of the Company on which the signature or signatures of any of the foregoing officers or persons authorized as aforesaid shall be so reproduced pursuant to special authorization by resolution of the directors, shall be deemed to have been manually signed by such officers or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures or other securities of the Company.

FISCAL YEAR

62. The fiscal year of the Company shall terminate on March 31 in each year or on such other date as the directors may from time to time by resolution determine.

INTERPRETATION

63. In all by-laws of the Company, the singular shall include the plural and the plural the singular; the word "person" shall include firms and corporations and the masculine shall include the feminine. Wherever reference is made in this By-law to any statute or section thereof such reference shall be deemed to extend and apply to any amendment to or re-enactment of the said statute or section, as the case may be. The word "subsidiary" shall have the meaning given thereto in The Corporations Act.

REDESIGNATION AND REPEAL

64. By-laws Nos. 1 (being a by-law passed by the directors on July 9, 1928), 3 (being a by-law passed by the directors on March 29, 1932), 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 17A and 29 be and the same are hereby repealed without prejudice to any action taken under the By-laws so repealed. By-laws Nos. 5, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 28 are hereby redesignated as By-laws Nos. A, B, C, D, E, F, G, H, I, J, K, L, M, N and O and any numbers heretofore allocated to such By-laws may be allocated to By-laws hereafter passed by the directors.

COMING INTO FORCE

65. This By-law shall come into force when it has been confirmed by the shareholders of the Company.

PASSED this 19th day of February, 1969.

WITNESS the seal of the Company.

"F.W.P. Jones"

Chairman of the Board of directors

C.S.

"L.R. Gray"

Secretary-Treasurer

Silverwood Dairies, Limited

BY-LAW NO. 3

A by-law respecting the borrowing of money by Silverwood Dairies, Limited.

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Silverwood Dairies, Limited (hereinafter called the "Company") as follows:

1. The directors may from time to time
 - (a) borrow money on the credit of the Company;
 - (b) issue, sell or pledge securities of the Company;
 - (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Company, present and future, including book debts and unpaid calls, rights, powers, franchises and undertaking, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Company.

The word "securities" as used in this paragraph means bonds, debentures, debenture stock or other like liabilities of the Company whether constituting a charge on the property of the Company or not.

2. The directors may from time to time authorize any director or directors, officer or officers, employee of the Company or other person or persons, whether connected with the Company or not, to make arrangements with reference to the moneys borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof and as to the securities to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional securities for any moneys borrowed or remaining due by the Company as the directors of the Company may authorize and generally to manage, transact and settle the borrowing of money by the Company.

3. The directors may from time to time authorize any director or directors, officer or officers, employee of the Company or other person or persons, whether connected with the Company or not, to sign, execute and give on behalf of the Company all documents, agreements and promises necessary or desirable for the purposes aforesaid and to draw, make, accept, endorse, execute and issue cheques, promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments and the same and all renewals thereof or substitutions therefor so signed shall be binding upon the Company.

4. The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Company possessed by its directors or officers independently of a borrowing by-law.

PASSED the 19th day of February , 1969.

WITNESS the corporate seal of the Company

"F.W.P. Jones"

Chairman of the Board of directors

C.S.

"L.R. Gray"

Secretary-Treasurer

Silverwood Dairies, Limited

BY-LAW NO. 4

WHEREAS

1. By By-laws enacted by the directors of Silverwood Dairies, Limited (the "Company") the Retirement Annuity Plan ("Retirement Annuity Plan") of the Company was approved and adopted and was amended from time to time;

2. By By-laws enacted by the directors of the Company, the Company entered into a Group Pension Policy ("Group Pension Policy") with The Standard Life Assurance Company for the purpose of providing retirement pensions for employees and the Group Pension Policy was amended from time to time in accordance with and by virtue of By-laws enacted by the directors of the Company;

3. United Dairies Limited provided an employees' contributory pension plan ("United Retirement Plan") for its employees and Jersey Farms Limited and Northwestern Creamery Limited provided a retirement plan ("Jersey and Northwestern Retirement Plan") for its employees;

NOW THEREFORE BE IT ENACTED AND IT IS HEREBY ENACTED as a By-law of the Company as follows:

1. The directors of the Company be and they are hereby authorized to establish as of January 1, 1969 a pension plan for the employees of the Company and for employees of such of its subsidiary and affiliated companies as the directors may from time to time determine to be known as the Silverwood Employees' Pension Plan (the "Plan") and in connection therewith to make, amend and repeal at any time and from time to time such agreements and arrangements as the directors may from time to time in their discretion determine. The directors may amend or discontinue the Plan at any time.

2. Each of the Retirement Annuity Plan, the Group Pension Policy, the United Retirement Plan, and the Jersey and Northwestern Retirement Plan be and the same are hereby consolidated into the Plan as of January 1, 1969.

3. The directors may by resolution make, amend and repeal at any time and from time to time such regulations as they may deem necessary or advisable in connection with the Plan and for the proper administration and operation thereof. All interpretations of the Plan and any regulation in connection therewith by the directors of the Company shall be final and binding upon all persons in interest. The directors may delegate to any person, group of persons or corporations such administrative duties and powers as they may from time to time see fit.

4. The directors and proper officers of the Company be and they are hereby authorized and directed to do such things and execute such documents whether under the corporate seal of the Company or otherwise as may be necessary or desirable from time to time in connection with the Plan.

ENACTED this 7th day of May, 1969.

WITNESS the corporate seal of the Company.

"F.W.P. Jones"

Chairman of the Board of directors

C.S.

"W.I. Barton"

Secretary-Treasurer

